

# Legislative Analysis

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## INCREASE JUROR COMPENSATION

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 4561 (reported from committee as H-4)**

**House Bill 5727 (reported without amendment)**

**Sponsor: Rep. Peter J. Lucido**

**Committee: Judiciary**

**Complete to 9-21-16**

Analysis available at  
<http://www.legislature.mi.gov>

## SUMMARY:

House Bill 4561 increases compensation to a juror, but only if sufficient funds are available in the Juror Compensation Reimbursement Fund.

House Bill 5727 makes technical amendments to a provision pertaining to how money in the Juror Compensation Reimbursement Fund is distributed to court funding units to reimburse their trial courts.

Each bill will take effect 90 days after enactment.

House Bill 4561 amends the Revised Judicature Act (MCL 600.1344). Since October 1, 2003, the minimum compensation for jurors has been \$25 per day and \$12.50 per half day for the first day of actual attendance at the court. For each subsequent day or half day of actual attendance at the court, the minimum compensation has been \$40 per day and \$20 per half day. (Jurors are also reimbursed for traveling expenses, determined by the county board of commissioners, at not less than 10 cents per mile for round-trip travel between the juror's home and the court. The bill does not amend this provision.)

Under the bill, the current compensation levels will end April 1, 2017. Beginning on that date, and for every subsequent fiscal year, **if** the Juror Compensation Reimbursement Fund has sufficient funds available, compensation for jurors will increase to \$30 for the first day of actual attendance at the court and \$15 for the first half day. For each subsequent day of actual attendance, the compensation would be \$45, and for each subsequent half day, \$22.50. The determination whether sufficient funds were available would be made by the state court administrator, at the direction of the state supreme court and upon confirmation by the state treasurer. "Sufficient funds" means an amount exceeding \$2 million in the Juror Compensation Fund.

(Note: As currently worded, the bill authorizes current compensation levels only *until* April 1, 2017. After that date, the increased compensation level would go into effect, *but only* if the balance in the Juror Compensation Reimbursement Fund exceeded \$2 million. Though implied, the bill does not specifically state what would be the compensation for jurors should the Fund amount be less than \$2 million.)

House Bill 5727 makes technical amendments to a provision in the Revised Judicature Act pertaining to how money in the Juror Compensation Reimbursement Fund is distributed to

court funding units to reimburse their trial courts; these amendments would eliminate several obsolete provisions and add a specific reference to Section 1344 of the act (which contains the statutory minimum compensation for jurors) to a provision that provides for each court funding unit to receive reimbursement from the fund for the expense amount reported semiannually to the state court administrator, excluding any juror compensation in excess of the statutory minimum (MCL 600.151e). The bill is tie-barred to House Bill 4561.

## **BACKGROUND:**

The Juror Compensation Reimbursement Fund (JCRF) was created in 2003 to provide reimbursement compensation to local trial courts for an increase in juror compensation rates which took effect October 1, 2003 (MCL 600.1344, 2002 PA 739). Under the law, trial court funding units were to be reimbursed an amount equal to the legislated increase that resulted from the law. It should be noted that many courts provide compensation above the statutory minimum despite the fact that they do not receive reimbursement from the state for the discretionary amount.

The JCRF receives funding from driver license clearance fees and jury demand fees. The driver license clearance fee is \$45, of which \$15 is directed to the JCRF (MCL 257.321a). The jury demand fee for circuit court is \$85, of which \$25 is deposited in the JCRF (MCL 600.2529). For district and municipal courts, the jury demand fee is \$50, of which \$10 is deposited in the JCRF ((MCL 600.8371). For FY 2015, the JCRF received \$4.5 million in fee revenue. According to MCL 600.151d, the unencumbered balance shall remain in the fund at the end of the fiscal year and not revert to the General Fund. At the end of FY 2015, the JCRF had a balance of \$8.4 million.

## **BRIEF DISCUSSION ON THE ISSUES:**

Serving on a jury is a civic duty and one that many citizens take seriously. However, compensation rates for jurors have not been increased since October 1, 2003. In some jurisdictions, the current rates do not even cover the cost to park a car for the day, let alone cover lost wages, child care, and lunch while at the courthouse. Some feel that the sacrifice made by citizens who report to jury duty should be compensated fairly. Though never intended to reimburse a juror for all out-of-pocket expenses incurred, compensation should at least be enough to cover parking and, hopefully, a lunch and beverages.

It has been noted that for several years now, the Juror Compensation Reimbursement Fund has had a surplus at the end of the fiscal year. Statute requires this surplus to remain in the Fund and not revert to the General Fund for other state needs. Under the bills, as long as there is a healthy balance of more than \$2 million in the Fund, jurors in the following fiscal year will be compensated at the new higher level. The increase is modest—just a \$5 increase for a full day of jury duty—but is a step in the right direction of acknowledging the sacrifice in time and expense made by those who report to the courthouse.

## FISCAL IMPACT:

House Bill 4561 would have an indeterminate fiscal impact on the state. The fiscal impact would depend on the number of first and subsequent full and half days served by jurors.

For the purposes of discussion, below is a comparison of total costs to the state in FY 2015 for current juror compensation rates and for increased compensation rates, had House Bill 4561 been enacted into law and made effective beginning with FY 2014-15.

In FY 2015, the total number of first full days served was 71,000, and the total number of first half days was 92,000. The total number of subsequent full days served was 38,000 and the total number of subsequent half days was 46,000.

		<u>1<sup>st</sup> Full Day</u>	<u>1<sup>st</sup> Half Day</u>	<u>Sub Full Day</u>	<u>Sub Half Day</u>	<u>Total</u>
Current Rates	1 <sup>st</sup> Day \$25.00 / \$12.50 Subsequent Days \$40.00 / \$20.00	\$1,775,000	\$1,150,000			
				\$1,520,000	\$920,000	
						\$5,365,000
HB 4561 Rates	1 <sup>st</sup> Day \$30.00 / \$15.00 Subsequent Days \$45.00 / \$22.50	\$2,130,000	\$1,380,000			
				\$1,710,000	\$1,035,000	
						\$6,255,000
	Difference in Costs:	\$355,000	\$230,000	\$190,000	\$115,000	\$890,000

Had House Bill 4561 been in effect in FY 2014-15, the additional cost to the state would have been \$890,000.

House Bill 5727 would have no fiscal impact on state or local units of government.

## POSITIONS:

The following entities indicated support for one or both bills on 9-13-16:

State Court Administrative Office (HB 4561 and 5727)

State Bar of Michigan (HB 4561)

Prosecuting Attorneys Association of Michigan (HB 4561 and 5727)

The ACLU of Michigan (HB 4561)

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